

SB 900 CONFERENCE COMMITTEE

HEARING AGENDA

June 26, 1996

I. OPENING STATEMENTS

Senator Costa, Chairman
Members of Conference Committee

II. CALFED Update/Relationship of CALFED to SB 900

Lester Snow, Program Manager, CALFED Bay-Delta Program
Steve Hall, Member, Bay-Delta Advisory Council

III. SB 900 OVERVIEW OF MAY 6 VERSION

A. Delta Restoration Program

Steve Hall, Member, Bay-Delta Advisory Council

B. Clean Water and Water Recycling Program

Walt Pettit, State Water Resources Control Board

C. Water Supply Reliability Program

Dave Kennedy, Department of Water Resources

IV. PROPOSED CALFED ECOSYSTEM RESTORATION PROGRAM:

Presentation of concept to expand SB 900 to include
CALFED Ecosystem Restoration Program

A. Urban perspective:

Randy Kanouse, East Bay Municipal Utility District
Tim Quinn, Metropolitan Water District of Southern Ca.

B. Agricultural perspective:

Tom Clark, Kern County Water Agency
Rich Golb, Northern California Water Association

Environmental perspective:

Gary Bobker, The Bay Institute of San Francisco
Jerry Meral, Planning and Conservation League

V. MEMBERS' REQUESTS

VI. PUBLIC TESTIMONY

5/7/96

SB 900 (Costa)
"Clean, Safe, Reliable Water Supply for
Cities, Farms, and the Environment
(As amended May 6, 1996)

PROGRAM	DOLLARS
Delta Restoration (\$170 million)	
CVPIA state match	\$ 75 million
Category III state share	50 "
Delta levees	30 "
South Delta environmental enhancement	15 "
Clean Water and Water Recycling (\$255 million)	
State Revolving Fund Clean Water Act loans	100 "
Clean Water Grants to Small Communities	40 "
Loans for water recycling projects	60 "
Loans for drainage treatment and management projects	40 "
Watershed rehabilitation grants and loans	15 "
Water Supply Reliability (\$130 million)	
Feasibility investigations for off-stream storage, conjunctive use, and water recycling	35 "
San Joaquin Valley Drainage Relief	20 "
Water conservation and groundwater recharge loans	40 "
Small water project loans and grants	35 "
TOTAL	<hr/> \$ 555 million

**RECOMMENDATIONS
OF ENVIRONMENTAL, AGRICULTURAL AND URBAN INTERESTS
REGARDING S.B. 900**

Preface. S.B. 900 has the potential to provide an historic, positive step toward resolving decades-old environmental and economic issues related to California's Bay-Delta watershed. During the past two months, representatives of various environmental, agricultural, and urban organizations have engaged in an intensive series of meetings in an effort to develop a common set of recommendations regarding S.B. 900. Individuals in this stakeholder process represented northern and southern California urban water agencies, CVP and SWP agricultural contractors, upstream water users, and environmental organizations active in Bay-Delta issues. This summary outlines the joint recommendations of this broad-based group regarding amendments to S.B. 900.

1. **Total Funding.** In addition to the actions contained in the current bill, S.B. 900 should be expanded to provide a portion of the funding required for environmental restoration activities related to the implementation of the recommended CALFED Bay-Delta Program. To assure adequate funding, the total amount of money provided by the bill should be increased to at least \$900 million.

2. **Equal Funding.** S.B. 900 should be divided into two equally funded sections: Section I to provide funding, with appropriate modifications, for the activities already covered in the May 6, 1996 draft of the bill; a new Section II to provide for a significant portion of the financing required for CALFED environmental restoration actions.

3. **Section I.** Recommended modifications in the existing provisions of the bill include the following:

- Increase funding for Category III actions to \$60 million;
- Increase funding for the state's cost-share of actions taken pursuant to the Central Valley Project Improvement Act to \$100 million; and
- Eliminate all "triggers" on the expenditure of Section I funds so that these moneys are immediately available upon approval of the measure by the voters.

[Other issues related to the proposed Section I of S.B. 900 have not been fully addressed by the stakeholder negotiators, and they have agreed to resolve these issues through a small drafting group.]

4. **Section II Purposes.** Section II funds should be used for the sole purpose of financing, as part of the CALFED Bay-Delta Program, environmental restoration actions that increase the amount of high value environmental habitat in the watershed. These funds should not be used to pay for programs or projects undertaken to offset adverse environmental conditions determined by CALFED to be caused by the operation of existing or future water supply projects

5. **Section II Linkages.** Section II funds should not be made available until the following two actions have been completed:

- Execution of a cost-sharing agreement between the State and federal governments under which the United States agrees to share in the costs of implementing the CALFED Bay-Delta Program; and
- Approval of the Bay-Delta Program by the CALFED state and federal agencies and finalization of a Programmatic EIR/EIS for the Bay-Delta Program in full compliance with the requirements of the California Environmental Quality Act and the National Environmental Policy Act.

6. **Schedule of Expenditures.** To provide for effective expenditure of S.B. 900 and related funds, as part of its planning activities CALFED should prepare a schedule of expenditures to finance the environmental restoration, water supply, water quality, and other elements necessary to implement the the long-term solution identified by the CALFED Bay-Delta Program.

7. **Balanced Benefits.** To assure implementation on schedule of the environmental, water supply, and water quality elements of the CALFED Bay-Delta Program, release of S.B. 900 Section II funds should be contingent on an annual determination that implementation is occurring sustantially in accordance with the CALFED schedule.